

**DEPARTMENT OF STATE REVENUE**

**LETTER OF FINDINGS NUMBER: 99-0072P**

**Adjusted Gross Income Tax**

**Fiscal Years Ended 06-01-89, 05-31-90, 05-30-91, 05-28-92, 06-03-93, and 06-02-94**

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**ISSUE(S)**

**I. Tax Administration – Penalty**

**Authority:** IC 6-8.1-10-2.1(d); 45 IAC 15-11-2

Taxpayer protests the penalty assessed.

**STATEMENT OF FACTS**

Taxpayer, incorporated under the laws of Georgia on March 25, 1955 was audited for fiscal years 1989, 1990, 1991, 1992, 1993, and 1994. Upon audit it was discovered that the taxpayer failed to file amended income tax returns for federal RAR adjustments timely. Taxpayer also claimed a Federal jobs credit which is not allowed.

In reviewing its receivables, the department found the taxpayer has not paid its liabilities after a letter dated October 16, 1995 denied its request for penalty waiver. On December 4, 1998 the department advised the taxpayer to pay the balance due and forwarded copies of all outstanding liabilities plus a summary sheet showing the balance due. On February 15, 1999, the department called the taxpayer and was advised that the prior two persons responsible for the payment of taxes were no longer employed. The person responsible stated, in a telephone conversation on February 15, 1999, that she would pay the balance due.

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**DISCUSSION**

Taxpayer was assessed a negligence penalty because it failed to file amended returns for federal RAR adjustments timely and erroneously claimed a Federal jobs credit. Taxpayer was advised in a letter dated October 16, 1995 that the department finds no reasonable cause for the waiver.

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PAGE #2

This letter of findings is written in order to close the file and allow the taxpayer the option to pay or request a rehearing if necessary.

Taxpayer has not provided evidence that the penalty should be waived. It has, instead, advised the department that it would pay the outstanding liabilities.

**FINDING**

Taxpayer's protest is denied.